

## **CHAPTER 4-07-04 COMPENSATION PLAN**

Section	
4-07-04-01	Scope of Chapter
4-07-04-02	Definitions
4-07-04-03	Class Evaluation Process
4-07-04-03.1	Correcting Class Evaluation Interpretation Inconsistencies
4-07-04-04	A Written Request to Review a Pay Grade
4-07-04-05	Additional Information Required
4-07-04-06	Information and Forms Required [Repealed]
4-07-04-07	An Employee May Request a Review
4-07-04-08	An Appointing Authority Shall Consider an Employee's Request
4-07-04-09	Human Resource Management Services Shall Notify Affected Appointing Authority and Employee
4-07-04-09.1	Effective Date of Pay Grade Assignment
4-07-04-09.2	Request for Reconsideration of Pay Grade Assignment
4-07-04-10	Pay Grade Appeal to the Director [Superseded]
4-07-04-11	Pay Grade Exception
4-07-04-12	Periodic Review

**4-07-04-01. Scope of chapter.** This chapter applies to all state and local government agencies, departments, institutions, and boards and commissions that employ individuals in positions classified by human resource management services.

**History:** Effective September 1, 1992; amended effective November 1, 1996; July 1, 2004.

**General Authority:** NDCC 54-44.3-12

**Law Implemented:** NDCC 54-44.3-12

**4-07-04-02. Definitions.** The terms used throughout this chapter have the same meaning as in North Dakota Century Code chapter 54-44.3, except:

1. "Class" means job or job title representing a group of tasks, duties, and responsibilities.
2. "Compensation plan" means the listing of all the pay grades used in the classified service and the pay ranges assigned to each grade.

**History:** Effective September 1, 1992; amended effective July 1, 2004.

**General Authority:** NDCC 54-44.3-12

**Law Implemented:** NDCC 54-44.3-12(1)

**4-07-04-03. Class evaluation process.** The director, human resource management services, shall develop, implement, and maintain a class evaluation

process to evaluate and assign an appropriate pay grade to all classes in the classification plan.

**History:** Effective September 1, 1992; amended effective July 1, 2004.

**General Authority:** NDCC 54-44.3-12

**Law Implemented:** NDCC 54-44.3-12(1)

**4-07-04-03.1. Correcting class evaluation interpretation inconsistencies.** Human resource management services may correct inconsistencies in class evaluations as related evaluation interpretations occur. If revisions result in grade changes, human resource management services shall notify affected employees and appointing authorities of the proposed change and provide an opportunity to submit related documentation. After review of any documentation received, human resource management services shall provide notification as provided in section 4-07-04-09.

**History:** Effective November 1, 1996; amended effective July 1, 2004.

**General Authority:** NDCC 54-44.3-12

**Law Implemented:** NDCC 54-44.3-12(1)

**4-07-04-04. A written request to review a pay grade.** A written request to review a pay grade may be submitted to human resource management services by the appointing authority only if one of the following reasons apply:

1. The duties and responsibilities of the class have changed.
2. The appointing authority is experiencing recruiting problems due to the assigned pay grade.
3. The appointing authority is experiencing retention problems due to the assigned pay grade.
4. The appointing authority can provide employment market data that shows an extreme variance between market pay and the classified salary range.

**History:** Effective September 1, 1992; amended effective November 1, 1996; July 1, 2004.

**General Authority:** NDCC 54-44.3-12

**Law Implemented:** NDCC 54-44.3-12(1)

**4-07-04-05. Additional information required.** An appointing authority requesting a pay grade review shall furnish additional information to human resource management services at the time the request is made. The additional information must include:

1. A statement of the problem.
2. Up-to-date job descriptions/position information questionnaires.

3. Any available statistical data that relates to the problem encountered, i.e., turnover rate, recruiting costs, training costs, etc.
4. Details of efforts to resolve the problem through alternative methods.
5. Any available analysis of the current use of the salary range assigned to the existing pay grade.

**History:** Effective September 1, 1992; amended effective November 1, 1996; July 1, 2004.

**General Authority:** NDCC 54-44.3-12

**Law Implemented:** NDCC 54-44.3-12(1)

**4-07-04-06. Information and forms required.** Repealed effective July 1, 2004.

**4-07-04-07. An employee may request a review.** An employee may request that an appointing authority submit the pay grade assigned to the employee's class to human resource management services for review if the employee demonstrates that one of the reasons in section 4-07-04-04 applies to the employee's classification.

**History:** Effective September 1, 1992; amended effective November 1, 1996; July 1, 2004.

**General Authority:** NDCC 54-44.3-12

**Law Implemented:** NDCC 54-44.3-12(1)

**4-07-04-08. An appointing authority shall consider an employee's request.** An appointing authority shall consider an employee's request to submit the pay grade assigned to the employee's class to human resource management services for review. The appointing authority shall, within sixty calendar days, determine if any of the reasons in section 4-07-04-04 apply and if the information required in section 4-07-04-05 is available. If any of the reasons apply and if the information is available, the appointing authority shall submit the request to human resource management services for review. If none of the reasons apply, the appointing authority shall respond to the employee.

**History:** Effective September 1, 1992; amended effective November 1, 1996; July 1, 2004.

**General Authority:** NDCC 54-44.3-12

**Law Implemented:** NDCC 54-44.3-12(1)

**4-07-04-09. Human resource management services shall notify affected appointing authority and employee.** Within sixty calendar days of receiving a request to review a pay grade, human resource management services shall notify in writing the affected agency appointing authority and the employee of the division's decision and the right to request reconsideration. The appointing authority shall communicate pay grade assignments to the employees. The human resource management services director may extend the time when the nature of

the request requires extensive review and a comment period in order to properly process the request. In cases of time extensions, human resource management services shall notify the appointing authority.

**History:** Effective September 1, 1992; amended effective November 1, 1996; July 1, 2004.

**General Authority:** NDCC 54-44.3-12

**Law Implemented:** NDCC 54-44.3-12(1)

**4-07-04-09.1. Effective date of pay grade assignment.** The effective date of a pay grade assignment is the date specified by the appointing authority.

**History:** Effective November 1, 1996.

**General Authority:** NDCC 54-44.3-12

**Law Implemented:** NDCC 54-44.3-12(1)

**4-07-04-09.2. Request for reconsideration of pay grade assignment.**

An appointing authority or an employee may request reconsideration of a pay grade assigned to a class by submitting a written request to human resource management services within fifteen working days from the date the initial pay grade decision was mailed by human resource management services. The request for reconsideration must state the specific issue, reason for the request, and desired outcome. Human resource management services shall review the information contained in the request, solicit other information and input as appropriate, and provide a written decision to the parties within sixty calendar days from the date of the request for reconsideration. The human resource management services director may extend the time when the nature of the request requires extensive review and a comment period in order to properly process the request. In cases of time extensions, human resource management services shall notify the appointing authority.

**History:** Effective November 1, 1996; amended effective July 1, 2004.

**General Authority:** NDCC 54-44.3-12

**Law Implemented:** NDCC 54-44.3-12(1)

**4-07-04-10. Pay grade appeal to the director.** Superseded by section 4-07-04-09.2 effective November 1, 1996.

**4-07-04-11. Pay grade exception.** Upon receipt of a request to review a pay grade from an appointing authority or an employee the director, human resource management services, may assign a pay grade that is higher than that determined by the application of the class evaluation system. This may be done when the pay grade assigned to a class has not resolved significant problems in the recruiting or retention of qualified individuals for a class. When a pay grade

exception is assigned to a class, the grade must be identified as such and the appointing authority and all employees in the class must be notified.

**History:** Effective May 1, 1994; amended effective July 1, 2004.

**General Authority:** NDCC 54-44.3-12

**Law Implemented:** NDCC 54-44.3-12(1)

**4-07-04-12. Periodic review.** Classes assigned a pay grade exception are subject to periodic review by human resource management services. Such classes shall be reviewed no less than once every five years to verify the appropriateness of the assigned pay grade. The director, human resource management services, shall notify the respective appointing authorities and all employees in the class that a review is being conducted. The appointing authority and employees may submit information for the review.

**History:** Effective May 1, 1994; amended effective July 1, 2004.

**General Authority:** NDCC 54-44.3-12

**Law Implemented:** NDCC 54-44.3-12(1)